

Gross National Happiness and Development: An Essay

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Introduction

This paper concerns the operationalization of the concept of Gross National Happiness (GNH). It assumes that GNH is a uniquely Bhutanese approach to development. GNH may have applications beyond Bhutan, but that is central neither to its definition nor to its operationalization. The paper further assumes that GNH is a strategy for social and economic change in Bhutan and, therefore, must be operationalized in policy decisions and actions. To argue this, it places the concept of GNH in the context of Bhutanese history and of the general history of the concept of development.

The Bhutanese State

Introduction

As we shall argue, the Bhutanese State is and must be the “subject,” the primary actor in the program of change that we call GNH. However, the State itself, we argue, is a relatively new development in Bhutanese history. This chapter will briefly explore its history and development.

For our purposes, the state, in the abstract, may be defined in broad theoretical terms, as follows:

First, the State is the monopolist of legitimate coercion in a society; Second, the State is the primary font of legitimacy in the society; Third, the State is the primary source of leadership in social, economic, and security affairs, i.e., in those affairs that, broadly speaking, affect the interests of the people who inhabit a domain defined, at least until now, by legal boundaries that, in turn, define the reach of the State’s power. Several points need to be made with regard to this description of the “State,” because they will be significant in analyzing the history of the emergence of the Bhutanese State:

First, the State is not the same thing as the “Nation,” and, indeed, bears no relationship to it whatsoever. The concept of the “nation-state,” which emerged in 19th century Europe, presumes the existence of an entity called “the nation,” defined as a particular “people” who share certain common characteristics beyond the fact that they inhabit a specified territory (however that territory itself may be defined). It also presumed that there should be some isomorphism between the State and the Nation, and in romantic terms this led to the idea that the State was somehow a natural expression of the will of the Nation. Of course, in fact there were many states that contained more than one “nation,” so that “ethnic conflict,” as we would call it today, and the domination of one ethnic group over others,

became common. The State, however, existed long before the appearance of the concept of “nation” in its modern sense.

Second, the State has a history of its own, independent of the nation or people over whom it may rule. Similarly, a nation or people may have a history of its own independent of the state that rules over it.

Third, the history of the State concerns the establishment of its primacy over other elements in society. For example, the State, over time, gathers coercive power to itself and suppresses rival sources of coercive power in the territory over which it claims jurisdiction (whether legally or purely by the exercise of power). It also concerns the processes whereby it incorporates into itself, or at least into its power penumbra, the right to grant legitimacy in its territory. Finally, the history of the State concerns the process whereby it assumes the leadership role, sole or primary, in its territory. As we shall see, in Bhutan as elsewhere the State does indeed possess a history, and we will argue that prior to 1907 no Bhutanese state existed in these terms.

The Bhutanese Polity before the Advent of the Zhabdrung

The history of the Bhutanese polity may be said to begin with the arrival of Zhabdrung Ngawang Namgyal in Bhutan from Tibet in 1616. Until that time the geographical expression that became Bhutan lacked any figure of non-religious importance whose influence or power was more than local, and it possessed no institutions of governance that extended beyond local valley clans and their chiefs. At various times one or another family or religious institution extended its sway over regions near its place of origin, but none of them were able to provide anything approaching an integrating political system.

The Zhabdrung's Government

Whatever political structures may have existed in Bhutan before the arrival of the Zhabdrung in the 17th century, there can be no question but that he created a political structure (but, of course, a political structure is not the same thing as a State). It is also obvious that in his person what modern social science would distinguish as the political and the religious domains were intensely intricate with each other if they were not completely isomorphic. In other words, the Zhabdrung does not appear to have distinguished the political from the religious. This is particularly clear from his construction of dzongs, in which the religious and the political domains essentially occupied, and continue to occupy, the same physical space.

From what we understand of the Zhabdrung's administration and laws, Buddhism, particularly the Drukpa Kagyu school, provided the ideological basis for his conquest of Bhutan and for the institutions he established in the country. His conquest was based, apparently, on his struggle against other schools of Buddhism, both in Tibet and in Bhutan,

and he consistently expanded his conquests of one or another part of the country with the aim of establishing the Drukpa Kagyu school's legitimacy in more and more territory. In doing so, he contended with both "religious" and "secular" (to the extent this distinction can be made for that period) foci of power in one geographical region after another. On the one hand, this may be understood as an extension into Bhutan of what had become at that time the standard form of the polity (unlike the West, for example, where even in the era called "medieval" there was a distinction and conflict between the religious power [the "church"] and the secular power [the "Holy Roman Empire"]). What is significant for our argument is the tradition the Zhabdrung's polity established in Bhutan, that is, the intrication of Buddhism and politics, and this continues to be the case to the present time.

Upon his retirement from active leadership, the Zhabdrung established a regime that may be called a "diarchy," to borrow a term. Essentially, the role of leadership and administration was divided into two. The position of Desi was established for political or public affairs, and the Je Khenpo was given responsibility for religious affairs. It is not clear, however, that this was any more than a convenient administrative arrangement. Perhaps it was the Zhabdrung's intention to prevent the return to political power of non-Drukpa Kagyu Buddhism in Bhutan by inhibiting the concentration of power in the hands of monastic groups by separating the two kinds of leadership.

In any event, it appears that during the years after the Zhabdrung's retirement and death, real power lay with the religious sector rather than with the "public". In fact, many of the Desis were themselves members of religious groups or had spent time as members of monastic communities.

If the Zhabdrung had indeed intended to establish a stable diarchic political structure in Bhutan that rested upon some kind of institutional coherence, by the time of the 5th Desi power had become highly decentralized at best, and the country had lost its institutional coherence. The coherence that had originally derived from the personality of the Zhabdrung now dissolved into a congeries of warring "feudal" potentates (the term "feudal" is used here more evocatively than, perhaps, accurately) whose power was very often defined geographically and depended on, first, their ability to raise and maintain militia-like military forces and, second, on their political ability to make, and break, alliances with other feudatories. To the extent that any central administrative polity existed at all, it existed only in a very formalistic way. The Desi himself became only one among the many actors in the political game, though the position was prized because it seemed to lend an aura of legitimacy to its holder.

By the middle of the 19th century, as the struggle for power among the regional magnates increased, the Desis lost their political role or, at least, the reality of any political role that had been assigned to them in the

Zhabdrung's scheme of governance. By mid-century, the possession of power for its own sake seems to have become the primary reason for the possession of power. One local magnate, the Trongsa Penlop, began to emerge as the most powerful among the warring feudatories, but this did not imply the existence of a state, only the particular military and political competence of the Trongsa Penlop of the time. The possession of the position of Desi did not convey to its occupant any particular primacy in the decentralized polity.

The crucial event at the beginning of the process of constructing a new Bhutanese polity was the Duar War of 1864-1865. A cursory glance over the historical record suggests that up to the Duar War, central power and leadership had all but disappeared from the country, and the War itself was, in a certain way, a consequence of the disappearance of any real, or even theoretical, central power. At the same time the Duar War served the assertion of power by Jigme Namgyal, the Trongsa Penlop. The Duars were an important economic resource for the development and maintenance of Jigme Namgyal's power, and their loss inhibited, or at least denied him, access to resources necessary to continue his drive to power at that time. In 1870, he retired from his position as Trongsa Penlop and became the Desi.

In addition to his military and political abilities, Jigme Namgyal evidently possessed a personality and personal attributes that attracted power whether or not he held a formal title or position. He was, we may argue, the first real political personality to emerge in Bhutanese history since the Zhabdrung. However, despite this, his own very self-conscious attempt to build a regime of people of demonstrated loyalty did not survive his retirement from the position of Desi after the customary three years in office. In other words, as strong a personality as he was, the institutional framework for a polity that could extend itself into the future did not yet exist, a consequence, perhaps, of a combination of Bhutan's geographical features, its level of technological development, and the importance of personality. Personality is not institutionalization. Power itself was the prize in the political struggle, and power was prized not as a means to an end but as an end in itself. This is the framework within which the eventual creation of the monarchy in 1907 must be understood, along with the significance of that development.

Centralization of power, rather than its institutionalization, characterized Bhutanese political life between the Duar War and 1907. It is probably the case that the Trongsa Penlop, Ugyen Wangchuck, possessed decisive, if not ultimate, power in Bhutan after the Battle of Changlimithang in 1885. The question must be asked: Why did he continue to maintain the traditional institutions of a headless polity instead of establishing a centralized monarchy? This can be explained, perhaps, by a certain ambiguity at that point in time. Very briefly: Ugyen Wangchuck begins to play a role after 1885 in which, on the one hand, he consolidates his power

within Bhutan while, on the other hand, he goes through a process of experimental interaction with what was then, as it is now, the overwhelmingly dominant power in the region, India.

Between 1885 and 1907, there would appear to be a disjuncture between Ugyen Wangchuck's own understanding of his position in Bhutan and the British understanding of his position in Bhutan. Although he was the dominant figure in Bhutan, the British treated him much as they treated other "native rulers" of India. For example, he was invited to attend the *darbar* held on the occasion of the visit of the Prince of Wales to India, an occasion that was clearly intended by the British to constitute the ceremonial recognition by the Indian "native" rulers of the paramountcy of the King-Emperor of India, of the British Raj. The British clearly intended to incorporate subordinate rulers into the hierarchical system of the British imperial polity, and Ugyen Wangchuck, doubtless unwittingly, participated in this drama. He was awarded a knighthood with the title Knight Commander of the Indian Empire, a common British practice of incorporation of subordinates. And he continued to play this role of a subordinate of the British when, for example, he participates in the Younghusband expedition into Tibet in 1904.

The continuation of the old non-centered political structure in Bhutan after 1885 did not reflect the reality of the new consolidation of power in Ugyen Wangchuck's hands, just as his symbolic incorporation into the British scheme of things did not reflect the reality of his power.

The creation of the monarchy in 1907 is a reference back to the polity of the Zhabdrung but in a radically new context. The new institutional framework of power rested upon a consensus between Ugyen Wangchuck, the Monk Body and the other, now diminished, power holders at the meeting in Punakha in December 1907. Bhutan now possessed the symbol and the reality of the institution of monarchy that reflected the growing concentration of power within the country. The new monarchy had as its rationale the establishment of peace and security throughout the country.

The Creation of the Monarchical State in 1907

The ambiguity that characterized power in Bhutan between 1885 and 1907 was not immediately resolved by the creation of the Monarchy. In fact, the Treaty of Punakha of January 8, 1910, which defined the relationship between the Monarchy and British India, suggested an ambiguous power structure that obtains to the present day and whose resolution is still being sought. Bhutan had complete internal sovereignty, according to the treaty, but it undertook to consult with the Raj about its foreign relations. This was diplomatic recognition of Bhutan but with less than full sovereignty. The provision was a reflection of an objective reality that obtains to this very day, the overwhelming preponderance of India in the region, regardless of who the ruler of India may be. The treaty provision defined a problem with

which Bhutan is still wrestling. The fact that the provision applied to Bhutan's relations with other entities that were within the power penumbra of the Raj or that, in later times, lay outside of it but beyond Bhutan's borders, continued the ambiguity suggested in the British approach to Ugyen Wangchuck before 1907 and reinforced afterwards by his attendance at the Delhi Durbar of 1911.

The years from 1907 to 1998 were a period of consolidation and development of the instruments of power. The support of the Monk Body and the surrender or acquiescence of the other power centers in Bhutan to the primacy of Ugyen Wangchuck did not provide a popular base for the monarchy. This he now proceeded to create by a series of measures that would establish a basis for support of the monarchy. Peace, of course, which only the monarchy could provide, was central. But he took particular measures to engage the people's support: the reduction of land taxes and customary service; the encouragement of trade and commerce within the country; the improvement of transportation and internal communications. He also, and very significantly, initiated modern education, although on a very limited scale. At the same time, he promoted the improvement of the Monk Body and of its institutions and education, a very reasonable and significant policy that paralleled his approach to the encouragement of popular support for the new polity.

The Second King, Jigme Wangchuck, who came to the throne in 1926, ruled during an era of very interesting developments in the outside world. During a period of great social, economic, and political instability abroad, the stability of Bhutan and of the monarchy perhaps rested on the disjuncture between Bhutan and the outside world, on the underdevelopment, in Western terms, of the country. Because Bhutan did not yet have a monetarized economy, it was not drawn into the economic crisis that began in 1929. Because it was not politically integrated into South Asia, it was not drawn into the Second World War from 1939 to 1945. Because it had not been colonized, it was not drawn into the anti colonial movements that were so characteristic of the post-World War Two world. Because its relationship with the British Raj was characterized by what was, after all, a very creative ambiguity, Bhutan was not drawn into the reorganization of the subcontinent that accompanied the independence of India and Pakistan and the consequent absorption all the states of British India by the two new states. In other words, non-engagement ("isolation") was an extraordinarily powerful instrument for the preservation of Bhutan's independence.

Domestically, the Second King followed his father's policy of consolidating power while pursuing several important new policies. The First King had established the centralized monarchy, but he had retained, to a large extent, the decentralized structure that was characteristic of the country before 1907. The Second King recognized the need to bring the

monarchy and the administration into coherence, and consequently he assumed absolute power, which meant the administration had to be centralized in the throne, not dispersed regionally. Local administrators, as they died or retired, were replaced by personnel appointed directly from the throne. The size of local administrations was reduced in order to restrict the ability of local administrators to act independently. Local power was further restricted by requiring a central audit of local taxes, incomes and expenditures. The development of a standing army, albeit at this point in time only in the form of a purely ceremonial unit, was started. Education within the kingdom and the dispatch of selected children to Kalimpong for schooling also increased, although on a still very limited basis. Transportation was upgraded, medical units were opened, and the repair of temples, monasteries, bridges, etc., was undertaken. In 1948, after Indian independence, Bhutan signed a treaty with India that, at least formally, regulated its relations with the country in more modern diplomatic terms than had been the case with the Raj.

The Third King, Jigme Dorji Wangchuck, was educated with a significant difference from his predecessors. At the age of 15, he was sent abroad by his father to England, and upon his return he was carefully groomed for kingship. His trip abroad had probably made him more aware of the external world than had been the case with his father and grandfather. He pursued a more activist foreign policy than his predecessors. In fact, during the reign of the Third King foreign policy and domestic policy became more closely related than had ever been the case before. Bhutan joined the Colombo Plan in 1962, signaling an activist policy toward economic development. The kingdom joined various international organizations and in 1972 became a member of the United Nations. It established diplomatic missions abroad on a very limited basis. India became the primary support of economic development after a visit by its Prime Minister, Jawaharlal Nehru, in 1958. India became the major supporter of road construction, telecommunications, etc.

Parallel to, and supported by, his foreign policy, the Third King introduced significant domestic changes. Land reform was introduced and land taxes were reduced. Serfdom was abolished. The Royal Bhutan army was established, as was a police force, both measures that increased the central power of the throne. Most significantly, the Third King introduced important institutional changes. In 1953 he established the National Assembly. This assembly reflected in its composition, as it continues to, the sociopolitical history of the country. First, the assembly was created by the king as a way of developing further support for the monarchy, not as a consequence of public demand. It was to be an instrument of education more than an instrument of legislation. In fact, until 1968 the legislative supremacy lay with the king, not the National Assembly. Of course, even after that date, when the king voluntarily gave up his authority to veto

legislation, the National Assembly still continued to be the instrument of the throne at least until 1998. The composition of the National Assembly includes "elected representatives", "representatives of the Monk Body", representatives nominated by the government, and a smattering of others. In 1963, the King established the Royal Advisory Council as an instrument for advising the King and the government. In effect, the Royal Advisory Council has served as a more direct instrument of the throne's will. It provides the King with independent information and points of view. Like the National Assembly, the Royal Advisory Council represents the variety of social groupings in the country. A law code was drawn up, capital punishment was abolished, and a separate court structure was established. All of these institutional changes rested upon the legislative and administrative centrality of the throne.

These measures were instrumental in achieving the Monarchy's objectives of sovereignty, security, stability, and modernization. The latter was most obviously symbolized by the beginning of the First Five-Year Plan in 1961. Successive five-year plans all aimed at infrastructural development and the development of human resources to support these objectives. With the Third Five-Year Plan, which started in 1971, a Planning Commission was established to manage the process, and the present king, then the crown prince, was named chairman. The Third King also initiated the development of Dzongkha as the written language, a work very much still in progress.

The creation of the monarchy in 1907 was not the result of a popular movement, nor of the development of nationalism among intellectuals or the bourgeoisie such as had developed in the West. Furthermore, it was not the consequence of an anti-colonial movement as was the case in other "Third World" countries, such as most of the countries in South Asia, for example. The creation of the monarchy in 1907 was a consequence of protracted struggles for power in the absence of a centralized polity. Developments since 1907 may be interpreted as consequences of the dialectical interaction of the monarchy, on one hand, and, on the other, the outside world that was undergoing rapid and deep changes, Bhutan's geography, and the necessities of power.

Moreover, it must be emphasized, all these developments took place without a broad theoretical framework to underpin them or to guide choices and decisions or to set objectives beyond the instrumental values of stabilizing the country and defending it. The creation of a national community based upon a vision of the future and a search for the path to reach it was to be the work of the Fourth King.

The Maturation of the Bhutanese State

The signs that indicated the maturation of the Bhutanese state in terms that began to suggest the necessity and efficacy of a definition of values and of direction beyond the execution of policies in various development

domains became apparent with the accession to the throne of the Fourth King, Jigme Singye Wangchuck, in 1972. It is interesting to note that in his coronation address in 1974 he said, "The most important task before us at present is to achieve economic self-reliance to ensure the continued progress of our country in the future." It is reasonable to suggest that in the context of the early 1970's, this goal, stated baldly and boldly, fit the circumstances both inside Bhutan and in the international context within which Bhutan had to develop at the time. Internally, the Fourth King pursued development in many directions in such a way that the social changes already under way, urbanization, for example, were accelerated, and at the same time he moved in new directions and pursued new policies of transformation. This is neither the time nor the place to attempt a close description of the remarkable transformation that Bhutan has undergone during His Majesty's reign. Much research needs to be done about this before anything more than a general picture can be outlined.

However, certain trends can be clearly observed that define current concerns. First, it is undoubtedly true that the impetus for broadened and intensified development derived from the Throne itself; in other words, the activism that had characterized the Wangchuck dynasty and state since 1907 became, and remains, the primary source of energy for change. This may be because Bhutanese society did not, in the immediate or in the more remote past, develop those social classes the conflict between which provided the dynamics for social change that characterized other societies. This, also, is a subject for research before anything definitive can be stated, but it is highly suggestive. A consequence of this seems to be the profound centrality of the throne in all matters of policy generation. It is interesting to note that at various points in the history of this reign attempts by His Majesty to transfer authority to other state organs in one way or another have been resisted; the most significant step in this regard, the Kasho of 1998, had all the appearance of insistence on the part of His Majesty, contrary to the wishes of the National Assembly and the people, that power be transferred from the Throne to a government in the interest of further development. This suggests that the intellectual or ideological conceptual foundation for the development of institutions in which the locus of political power, as opposed to moral power, would be located, had not permeated sufficiently deeply into the society.

Second, the context of Bhutanese development has changed radically during this reign. In 1972, economic self-reliance was not an unreasonable goal. The demand side of consumerism had not developed to the point it was to reach later, certainly because communications technology had not yet developed or spread to the extent where they nourished a new consumerism. Furthermore, social change had not reached the point of providing a class basis for consumerism, and a sufficient economic surplus in any sector had yet to be generated to support consumer demand. The

increase in tourism, together with, more recently, growth in information technology, combined with economic development and social change, more importantly knowledge in certain groups of about the outside world, have resulted in the rapid increase of consumer demand for foreign goods. Given the size and resources of Bhutan, the growth of consumerism is a direct threat to the goal of economic self-reliance.

The growth of the power of the institutions created at Bretton Woods in 1947, together with the increased influence of neo-liberal ideology, the combination of which we call "globalization", have created forces that have an impact on Bhutan which it may not be able to control by the same policies that up to this time were efficacious for development. To put this as bluntly as possible: the various trends just mentioned have created social groups within the country that are the primary source of demand for goods and services that contradict and undermine the stated objectives of the Bhutanese state's development policies. For example, self-reliance is undermined by the growth of consumerism, which can only be supported by the importation of foreign goods. This also undermines the attempt to create a national Bhutanese culture both as a value in itself and as a defense against homogenization with the rest of the world, which would undercut the very *raison d'être* for Bhutan, which would, in other words, undercut the entire thrust of modern Bhutanese history in the Kingdom's attempts to remain separate from the subcontinent's historical trends. This can also be clearly observed in the struggle to establish the primacy of the Dzongkha language. A national language is not just a cultural conceit, as His Majesty repeatedly points out. English is the agent of the cultural homogenization that is the servant of economic global integration, of Globalization. To the extent that English dominates over Dzongkha in the daily life of the Bhutanese state, the goal of cultural self-reliance and independence recedes into the background.

At the same time, the intellectual weakness of Bhutan's position with regard to formulating a Bhutanese policy for development, rooted in national interest, has opened the process up to the dominating influences of theories and practices that reinforce the tendency to homogenization with the rest of the world. We must be very clear about this. Reliance on the private sector and on market forces is an historical artifact that is a consequence of political developments in the outside world rather than of any scientific or "natural " forces. In other words, the importance accorded to the private sector in terms of development is an ideological and political decision not necessarily dictated by theoretical or objective criteria or by national interests. Given the primacy of the modernizing Bhutanese state in the process of national development, the tendency to try to place greater reliance on the private sector and on market forces is contradictory. Moreover, the tendency toward homogenization with the rest of the world

contradicts the ideological, emotional, and psychological foundations of the Bhutanese state and of Bhutan itself.

It follows from all of this that the growth of these kinds of contradictions during the reign of the Fourth King requires some form of resolution, a resolution that will find its institutional and cultural expression in the formulation of educational, cultural, social, and economic policies that will be aimed at achieving the goals that the society and culture may implicitly desire.

His Majesty's promulgation of the idea of Gross National Happiness as a national policy pointed in the direction of seeking a resolution to the contradictions Bhutan faces. The challenge now facing the country is the operationalization of this idea, which means challenging, not accepting, the received wisdom of the West. It is precisely the general acceptance of the received wisdom of the West in these matters that undermines the National Project. What the country must now undertake is the definition of the national project. Reflection on this issue, supported by new research into all aspects of Bhutanese society, is the mark of the maturity of the Monarchy and the Kingdom. Gross National Happiness is at one and the same time reflection on theories of development, on policies of development, and on the values that should guide those policies. It is self-analysis and critical thinking in the definition of the nation's future rather than simple acceptance of guidance from abroad.

This is why GNH is so significant. It must now encompass both ideological programs and practical policies. GNH is a national necessity for the survival of the country within the context of the particular conjuncture of developments at this time in the world at large, developments that are fraught with all of the issues that constitute the core of the very existence of a nation. These developments we gather under terms like "globalization" and "WTO". The rest of this paper will now address this constellation of requirements.

GNH and Development

In the decade since the fall of Communism, many thinkers and authorities have been attempting to define a "third way" between neo-liberal free market Capitalism and now defunct Communism. The attraction of GNH outside of Bhutan lies in this search. In this section we will look at GNH in this perspective.

GNH and Ideology

The word "ideology" has come in for much opprobrium in recent decades, largely for two reasons: First, it was appropriated by one side in the struggle for dominance in the world, the Soviet side, to refer to what that side considered to be correct thinking and analysis; consequently, it was disparaged by the West and given a negative connotation. Second, the

negative connotation given to “ideology” was used to assert what the opponents of Communism argued was the scientific basis of their own thinking. Thus “ideology” was opposed to “science” and, therefore, to “truth,” as the latter term was used more and more to refer only to what science itself could demonstrate. Nonetheless, in order to understand GNH and to give it the multi-dimensional meaning it requires, the term “ideology” serves good purposes, at least for our present discussion.

The concept of “ideology” was born from the French Revolution, which, in fact, gave birth to three separate, if not entirely distinct, “ideologies”. The concept is very closely related to another concept, “modernity” and to the processes of “modernization,” i.e., those processes that are intended to reach or create the condition of “modernity”. We will return to the question of “modernity” later.

What is “ideology,” at least as we will use it? Ideology is, first and foremost, a political program. To be more precise, it is the constellation and construct of ideas that, taken together, define a political program. It is understood that the term “political program” means the plan and the objectives of the plan that are pursued by a state and government to achieve certain objectives. As a political program, ideology consists of the following elements: (a) It is an image or a description of what is going on in the society, in the political economy, at a particular time. It is not just a description of events and processes; it is an analysis of them, of their causes and effects. (b) Ideology gives an image or a description of what is going on that is prompted by, and exists in contrast to, what the past was, and an understanding, its own understanding, of how the past was ended by a particular event. For example, in Western history that event was the French Revolution. In Bhutanese history, that event was the foundation of the Monarchy in 1907. (c) Ideology provides an evaluation of the past as a point of departure for action in the present. Again, note the significance of 1907 in Bhutanese thought. (d) Ideology is one of the mechanisms by which people cope with change and modernity. Change, which in today’s dominant system of thought is called “modernization,” is always unsettling, always disturbing to people’s expectations and modes of behavior. Ideology makes it possible for people to cope with that problem either by explaining it positively or by providing a basis for resistance to it. (e) Ideology suggests specific actions and frameworks for action that make it possible to cope with the processes of change that are implied by the condition of the world after the event or events which end the past. Each of these five characteristics applies to the concept of GNH.

Weltanschauung is another word that is useful in defining GNH in the context of contemporary Bhutanese society. Any given period of history can be defined as a combination of two factors. The first is the particular social and cultural reality that exists at any given period of time. For example, we can say that a particular social reality was “Bhutan” until some event

occurred that we see marks a break in history. The creation of the monarchy in 1907 is such an event. The second factor is the *Weltanschauung* that accompanies the particular social reality. The word *Weltanschauung* means "world view" and is, to put it succinctly, the understanding that people who inhabit a particular social reality have of the way the world works. Obviously, a particular social reality and its *Weltanschauung* exist in a dialectical relationship. Changes in one lead to changes in the other, and the domain that dominates is social reality. The two may not change in tandem, i.e., there may be unevenness in change, so that, for example, the *Weltanschauung* of a particular period of history may last longer than the social reality that gave rise to it. In the view of modernity, this is what is often referred to as "backward thinking." *Weltanschauung* differs from "ideology" in that it does not possess the characteristics discussed above, i.e., ideology is a mechanism for coping with change in the combination of social reality + *Weltanschauung*. None of this is to imply, incidentally, that change is, or is not, to be desired. This is merely a mechanism to describe a process, not to evaluate it.

Three broadly defined ideologies emerged from the French Revolution. First, conservative ideology was a reaction against modernity. The objective of its political program was the reconquest of power in order to restrain the process of modernization. In its weakest form, conservatism sought to limit the damage of change and to hold back, or slow down, as long as possible, the changes that were coming. In its strongest form, it wanted to return to, to reestablish, the past. Conservatives understood very well that the state was the key instrument to achieve their goals.

Second, liberal ideology, which defined itself as the opposite of conservatism, based itself on what it considered to be "the consciousness of being modern." Liberalism claimed to be universalistic, which is to say that it claimed to apply to all human beings everywhere. Because of this, liberals believed, liberalism could be intruded into the logic of all social institutions and processes. It was the key to burying the past and giving birth to the future. While conservatives were concerned with the restoration of the particular past that they felt was disappearing, the liberals believed that the future they outlined applied to all mankind, regardless of any particular characteristics. Moreover, in order for history to follow its natural course -- a natural course that was confirmed by the scientific observation of change in nature, particularly by Darwinism -- the liberals insisted that it was necessary to promote conscious, intelligent, continual reformism in the full awareness and conviction that "time was the universal friend, which would inevitably bring greater happiness to greater numbers." It should be very clear that contemporary neo-liberal economic and social theories belong in this category of ideology. Liberalism believed that progress was inevitable, but it could not be achieved without some human effort, without a broad political program. Moreover, the existing political institutions, created in the

break with the past, were necessary to achieve the political program of liberalism. It is apparent from Western experience and politics that liberalism is not clear about the relationship between particular political institutions and its political program. In any event, liberalism is a particularly Western position, as we can see from its claim to universal validity.

The third ideology to emerge from the French Revolution and its aftermath was socialism. Socialism differed from Liberalism in that it was convinced that the achievement of progress required a very conscious helping hand, without which progress would be very slow. Liberalism and Socialism agreed that change and progress were part of the “natural order of things,” i.e., of history and nature, but while the Liberals were willing to “let nature take its course”, more or less, the Socialists believed that the application of reason could define the objectives of change and the means to achieve those objectives; moreover, history could be accelerated by this application of reason. Primary examples of socialism today are the Scandinavian countries, the Netherlands, New Zealand, Australia, etc. Whether they have “Socialist” governments or not, they fall under this ideological rubric.

In summary, Conservatism sought to limit the dangers change posed and, if possible, to reverse the process; Liberalism sought to achieve human happiness through the application of Western logic and reason; Socialism agreed with liberalism but sought to achieve happiness through careful planning to reach specific goals. These distinctions are analytically important although there has been a great deal of overlap among the three ideological positions. GNH, in its potential ideological and pragmatic formulation, commands international appeal and interest because it is an alternative to the three positions outline here.

The “subject” of Ideology and Change

GNH is an ideology in the sense described above, which is to say that it is, or must become, a program of social and economic change and development. Consequently, it must concern itself with the question, “Who is the subject?” or, to put it another way, “Who is, or should be, the principal political actor in defining and carrying out the political program of GNH?”

The existing ideologies, Conservative, Liberal, Socialist, have never been able to resolve this question. It was raised by the French Revolution because the revolution declared that the people, not the monarch, was sovereign. In other words, the French Revolution raised an issue that nobody has ever been able to resolve clearly: where does sovereignty reside? Each of the three ideologies discussed above has provided its own answer, however unclear. The Conservatives argue that traditional groups in society, those groups that carry continuity with the past, with “tradition,”

ought to be sovereign. These often include the family, the church, and even medieval guilds. The Liberals insist that the individual is the historic “subject” of modernity and that, therefore, the individual is sovereign. The Socialists argue that the whole people, taken as a group, as an entity, is sovereign. For them, the issue is: who is a member of “the people”? Quite obviously, these positions raise more questions than they can answer.

Here are some of these questions. If all individuals are equal, does this mean that each individual has the same right to determine the future of society as any other individual? Is the future of society to be determined simply by counting numbers? Is it not the case that, with the spread of information technology and the unwillingness or inability of the society to control either the quality or the content of the information available, the very existence of faulty or even false information limits the ability of each individual to come to reasonable conclusions concerning policy and the future. If that is the case, is a simple counting of numbers (votes) a sufficient way to determine the good or the happiness of the whole? Does this not mean that control rests with those who do indeed command the nature and the dissemination of information?

Moreover, is it not also the case that not all individuals can participate in determining the good or the happiness of the whole? For example, children, the insane, criminals, all are excluded in many societies from participation in the process. Where do we draw the line? To cite an important example: If Bhutan joins the WTO, it surrenders, by very definition, the right to determine who participates in defining and achieving the happiness of the Bhutanese whole to external forces, even individuals, who are not members of the Bhutanese community, who do not share its values, its history, and whose own definition of good or of happiness has developed without reference to Bhutan at all. In other words, Bhutan surrenders to market forces and to the powers that are dominant in the market its own sovereignty, its own right to determine what is its gross national happiness. It thereby limits the freedom of the Bhutanese state to function on behalf of the Bhutanese people. The “subject” of Bhutanese society, of Bhutan’s political program, not only ceases to be Bhutan but becomes an external, foreign, actor.

Let us assume that Bhutan does not join the WTO and retains sovereignty for itself. This leads to another question: Where within Bhutanese society does sovereignty lie? Does it lie with His Majesty the King? Does it lie with “the people”? Does it lie with the government? This is not an easy question to answer, and we can find much evidence that points to this difficulty. For example, Bhutan is admired throughout the world for its environmental policies. It is considered very progressive and wise in pursuing these policies. But who decided to pursue those policies? Bhutan's environmental policies may inhibit happiness in quite different sectors of society. The private sector is inhibited in the pursuit of the happiness of

private entrepreneurs because Bhutan's environmental policies place off limits the use of important natural resources for private achievement of happiness and, some would argue, for the improvement of the social whole. Second, they limit the happiness of all or many village communities, and of the individuals who live in them, because environmental policies place off limits the use of these resources for the pursuit of their economic well-being, i.e., their happiness. And yet, it may also be argued that these policies promote the welfare of all, even though certain individuals and sectors of society would not agree. This argument suggests that the "Actor", the primary subject of the political program of gross national happiness, may not be the people as a whole or even the sum of individuals. Indeed, the issue of the environment and its future has been determined on the basis of a set of values that are not defined democratically or by those who are most directly affected by the policies adopted. This problem is not unique to Bhutan. In many Western countries it is being argued and resolved in various ways on a daily basis. In actual practice, Bhutan has resolved it in a particular way even if it has not named that way: Bhutan has decided that somewhere in its polity is located the power of sovereignty, that is to say, the power to determine that, for example, the environmental policies Bhutan is pursuing are correct for the entire people even though the people did not choose these policies. Most people would agree that this is not unreasonable.

Whatever may be their position with regard to the location of sovereignty, all ideologies, which is say all political programs, necessarily see the state as the primary instrument for carrying out the agreed-upon political program, however that program may have been agreed upon. That is the case with Bhutan's environmental policies.

Another issue that all three ideologies have in common is the relationship between the state and society. One of the major consequences of the French Revolution was the appearance of the concept of "society" as an entity separate from, and in opposition to, the State. This concept spread around the world, and in its most contemporary form, "civil society," it is used in Bhutan too. Indeed, in Bhutan today there are studies of "civil society", precisely as the concept was defined after the French Revolution, i.e., society as self-existing, outside of or in opposition to (not contrary to but different from), the State. For example, the State is understood to be "coercive" in one or another way, while "civil society" is assumed to be, somehow, voluntaristic. Of course, this is too simple because it does not take into account the coercive elements in civil society, such as peer or community pressures to conform and perform. These were always present; indeed, they are at the core of "traditional society," but they have only recently come to the attention of social theory as "civil society" emerges onto the analytical screen in contrast to the State. It is important for GNH theory to recognize the function of coercion even in civil society.

The three ideological positions that have co-existed in the West since the French Revolution have been the subject of much debate, and in the 1960s many began to argue that, after all, there was only one ideology of which these were simply three variations. That ideology was called “Liberalism,” and both Conservatism and Socialism were redefined as variations of it rather than as separate and distinct ideologies. In any case, what is important from our point of view of GNH is the questions these ideologies raise, most particularly the questions of the “subject” and of the relationship between the State and Society.

GNH and Change

The Age of Liberalism, in which change and development were first considered to be a good, began with the French Revolution in 1789 and lasted to the fall of Communism in 1989. This was the period in which in which the liberal idea that progress and change could be achieved in a measured and reasonable fashion by the application of science to the management of change dominated Western thought. The five-year plans, whether Bhutanese or Indian or Russian, exemplify this idea. This was the ideology of liberalism.

Before the French Revolution, the *Weltanschauung* of almost all societies and the systems of empires and other political entities had assumed the normality of political, social, and economic stability. In a way, this is what was meant, afterwards, by “tradition”. In this world of stability, sovereignty was visibly present in the person of the ruler, and a whole set of equally stable customs and regulations controlled who had power to rule and under what conditions. Change was considered exceptional and had to be justified in exceptional terms.

With the French Revolution, all of this changed and a new *Weltanschauung* developed, or began to develop, which by the time of the European revolutions of 1848 assumed the normality of change. Indeed, change itself, change in political systems, economic systems, and, of course, changes in technology and changes brought about by technology, became the norm. The assumption of change as normality became a point of departure even in politics: changing one's political rulers was both desirable and normal. The only difference between conservatives, liberals, and socialists concerned attitude toward change; conservatives were not happy about it and socialists wanted to make it happen more coherently, more directly, and faster. But nobody questioned change itself.

Not only did people not question change; they did not reserve areas of life outside of change. Obviously, the tension between change and not-change is very much at the root of contemporary fundamentalism and other similar movements. It is in this context that GNH becomes at one and the same time a critique of Western theory and an attempt to formulate a different approach to the issue of change. GNH offers a fourth possibility,

one that does not rest on the unquestioned assumption that change is, in and of itself, either good or inevitable. GNH needs to posit the following: In the West change is seen as "natural", "unavoidable," in itself, while GNH suggests that change needs to be seen in a moral and cultural perspective. In the West, all points of view accepted change, and the issue was the speed and the instrument of change. The function of specialists was to record change; they could not prevent it. As time went on and development became a program, specialists assumed a different role, as we will see. The Socialists claimed to create specialists in change, but in reality their concept of change was the same as that of the Liberals and Conservatives. GNH, in contrast, argues that change itself must be placed under analysis, and that the process needs to be guided by certain values and specialists in those values. At least, that should be what the GNH argues.

One of the consequences of the French Revolution, one of the hallmarks of the "Modern", was the shift of the locus of theoretical sovereignty from the ruler to the people. This opened up the question of whether any particular state reflected, or was the embodiment of, the will of the people. In this nexus appears the primary schism in Western thought between state and society, a dichotomy that has dominated Western thought from the early 19th century down to perhaps 1989. 1989 is the date some people would use to mark the end of this dichotomy. In that year, the fall of the Berlin Wall, symbolizing the fall of Communism, released the dominant classes in the West from the necessity of using the apparatus of the state to control change. Communism had posed a direct challenge to the West precisely in the field of change both theoretically and practically. Once Communism passed from the scene, the state was no longer an absolute necessity; it was really only necessary for control, but the state itself could now be dismantled and privatized for the benefit of those who controlled the means of production, which meant the managerial class. It was fortunate for that class that technology, particularly communications technology, had reached the point where it was relatively easy to control public attitudes and perceptions. The present situation, therefore, is a consequence of a fortuitous confluence of developments. The argument is being made today that, first, the state inhibits natural processes of change and development. The state is a danger to the natural freedom of the reified individual and of the natural power of the free market. Here we have to make it very clear that this is itself an ideological position, an historical artifact, and it does not carry either the force of science or of reason. Bhutan must deal with this question very seriously in GNH. In Bhutan, the transfer the locus of theoretical sovereignty from the ruler to the people has not yet taken place, if indeed it has even begun. Bhutan is therefore in a position to consider this matter carefully and pursue a course more suited to its own situation and needs. In Bhutan the issue or dilemma of state vs. society has not been part of the political discourse. In fact, the role of the king in Bhutan suggests that

this dichotomy, so central to all Western social thought, has never really existed. GNH ideology needs to reflect on the implications of this and on its meaning and potentiality in the definition and process of development.

In the Western *Weltanschauung* of modernity, the individual has become a reified being, which means two things: it means that the individual is assumed to exist in and of himself, and he is a thing in nature. Of course, this is contrary to both village society and culture and to Buddhist thought and practice. In the West, this reified individual, this thing in nature, is, by virtue of its natural existence, assumed to possess certain "inalienable rights " which neither the state nor society can contravene. This assumption lies at the heart of the Western suspicions of the state, which is considered inimical to these alienable rights; therefore, much of Western social, political and economic theory is concerned with protecting the rights of the individual. Since 1989, however, in the new "neo-liberal" world, the state is still seen as the enemy, but now the market has the right to transcend the rights of the individual. This is a serious and practical matter. The market does not need to account for the welfare of the individual. In fact, it is now assumed that the welfare of the individual will be taken care of by the market, and the market is protected by the theory from being called into question. The market is a transcendent natural force. In Bhutan, quite obviously, none of this pertains. GNH must critically examine these assumptions and provide its own set of assumptions based upon the experience of Bhutan, not the West. All this means that Bhutanese development is now taking place in a radically new context, in which the old liberal verities of the West have been canceled and replaced by new ones. Ironically, this effect allows Bhutan to pursue its own path.

The development and supremacy of market forces in the 19th century West was a political program that was based to a large extent on the emergence of an entity called the "nation". Originally, the concept of the nation emerges as a definition of a commercially viable market. In other words, a nation constituted that region and or people within which a common language, shared tastes, sheared conceptions of law and order, a shared system of weights and measures, allowed commerce to take place more easily than across linguistic and other boundaries. Based upon the market, a polity that could control the market arose. Gradually, a consciousness of the market emerged in the form of cultural and other nationalisms, so that the socio-economic unit of the market was reified into the nation-state, which then was granted a new past through the study of history (in fact, history itself, as an academic and educational subject, developed in this context).

After World War II, new states, including Bhutan for all practical purposes, emerged into a different world than that of the 19th century. This gives Bhutan an opportunity to define itself for itself, a question that is raised by GNH's concern to use culture as a defense of the nation's

independence. It is important to note that liberal economic theory legitimated the nation-state as a natural entity that existed along side the reified individual. We are well aware that in the last decade or so, particularly since, say 1989, the legitimacy of the nation-state has been called into question on at least two counts. First, it has been called into question by the assumption of the new supremacy of the market, particularly the global market, which trumps the interest of the state to protect itself. Second, it has been called into question by the movement for human rights, here under the guise of multiculturalism. The State is now being returned to itself, defined once again as a threat, and it is being dismantled at the same time. How is Bhutan to think about this in terms of its own interests? The New World Order is no longer the order of nation-states whose interactions are governed by international law. It is a world of disorder controlled, if it is controlled at all, by the forces of the market.

GNH and Development

A vital shift has taken place in the focus and theory of development since 1989 and the fall of Communism. Incidentally, we should note that the public discussion of GNH in the West, or at least in English, probably began about the same time, in 1987 or 1988. Consciously intended or not, this is a symbolic event.

Since the 16th century, European thinkers have been concerned with the problem of the increase of the wealth of their respective political entities, the wealth of the state (and empire) and, later, the wealth of the nation-state. In the great age of discovery, exploration, and conquest, the age of mercantilism, all debates in the social and economic realm centered on how to create more wealth for the state, how to increase the income of the state, to increase income over export. This led to regimes of controls of all kinds in order to prevent consumption and the uses of wealth that would diminish it. The importation of gold and other precious metals was encouraged; trade advantage was a prerequisite for power.

The extraction of gold and other precious objects from the Americas after their conquest, accompanied as it was by the almost merciless exploitation of the "native" peoples, was a perfect example of mercantilist economic theory. The British Empire's trade policies, restricting trade, to the extent possible, between, for example, South Asia and Britain and excluding other trade relationships, i.e., the old "imperial preference" system, was another example of mercantilism.

By the time Adam Smith's *Wealth of Nations* was published in 1776, a shift had taken place away from the theory and practice of mercantilism to the belief that only by maximizing the individual merchant's ability to trade and accumulate wealth could a nation's wealth increase. This new approach to economic activity was the obvious concomitant of the emergence of a capitalist class of individual entrepreneurs. The individual had replaced the

state, and individual economic activity in a free market had replaced state controls and monopolies in the pursuit of wealth.

A least two characteristics of this kind of thinking are significant for GNH. First, development per se was not a part of either system of thought. It was the accumulation of wealth that was significant, not development. There was no necessary relationship between the two. Moreover, and this is the second point, power was the significant variable in the equation. Under mercantilism, the power of the state to conquer was crucial to the accumulation of wealth at the least possible expense. Since the state, with its power to monopolize, was the primary economic and political actor, power was the most significant economic factor, and this meant military and naval power primarily. After mercantilism, under capitalism, with its emphasis on the individual entrepreneur, the state's power was no less important but was now directed differently. Now its purpose was to create those conditions that allowed the individual entrepreneur or corporation to maximize its advantages. This meant that the cost of maintaining a trade regime and the law and order that were beneficial for the private entrepreneur or for a corporation was the business of the state. The cost of doing this was often borne by the colonized peoples or, in some cases, by the people of the metropolitan power through taxes. A perfect example of the shift from mercantilism to capitalism is the abolition of the East India Company's monopoly of the Indian market to the post mutiny colonial regime in India.

However, the state did not disappear from commerce. In order to trade, which means to have goods and services for export, states and nation-states sought to maximize advantages for their own merchants and producers. This meant the development of tariff systems that created advantages for one's own people in the development and production of goods.

Finally, by the time of World War I, it had become apparent that a combination of technology and trade had resulted in the emergence of a class of nations that were "developed" and the rest undeveloped. At least this was the expression we used until the 1990's. The technological basis of development was, first, a consequence of the need for military and transportation technology, in the periods of mercantilism, to enable certain states to conquer distant lands and to exploit them. This technology, for example military technology, geographical technology (maps) and sailing technology were crucial for the development of empires. Second, under capitalism technology became the basis for comparative advantage in production and commerce. It was widely recognized that technology was the basis for a new kind of productive power that would advantage those who possessed it over those who did not. In fact, a whole system of patents and trademarks, etc., developed to prevent the transfer of technology to those who might also be advantaged by it.

Development as such was not an issue until the Russian Revolution of 1917. That was the ideological turning point in the entire thinking about World economics and the world system. Two historical moments in Western history symbolize this shift. On April 2, 1917, Woodrow Wilson, the American president, gave a speech declaring war on Germany. He said, "The world must be safe for democracy. " To all intents and purposes, this meant that the world must be opened to the kind of trade that the developing nations of the West found it advantageous to pursue. Democracy meant free trade, the abdication of the power of the state to control trade for its own benefit and the transfer of that power to the bourgeois class. The second date was November 7, 1917, the symbolic beginning of the Russian Revolution. The Russian Revolution was based upon the idea that it is not the bourgeoisie, not the capitalists, but the workers who actually produce wealth and should control it, and that, as the agent of the workers, the state had the primary responsibility for managing the economy in order to increase the standard of living of the working class, which meant increasing the wealth available for improvement. These two events symbolize the emergence of two totally different systems that were now in competition with each other. Competition between nation-states and empires now became competition between different ideologies and socioeconomic systems. The one used universalism, that is the argument that capitalism was natural, to argue for the political conditions that permitted the kind of trade that would advantage its own middle class of individual entrepreneurs. The other used the particularism of the interests of a particular class, the working class, to argue for a totally different trade regime. For the first, making the world safe for democracy, the slogan of "self-determination of nations", meant creating a trade and economic regime advantageous to the already developed nations. For the second, advancing the interests of Communism meant exploiting everything in sight in the interests of a particular class, and this meant reducing all trade to state controlled trade and production.

It is in the context of this contradiction between the two systems that the concept of development came to the fore, particularly after World War II. In fact, the concept of development was advantageous from many perspectives. First, in the contest between the two systems, each holding out different possibilities, development was advantageous to each in the competition with the other. For the Western nations, the capitalists, development was advantageous because it was a way of denying or negating the political attractions of Communism. However, that kind of development was not intended to be disadvantageous to the developed countries, so that, for example, the issue of knowledge transfer, of what is now called intellectual property, the question of development policy that would be politically advantageous but not economically disadvantageous, became crucial. This is one of the reasons why "uneven development"

became a serious issue in the developing countries. Furthermore, the development policies of the West were intended to encourage the increase in strength of those classes and political groups in the developing countries whose interests would ally them with the capitalist countries. A perfect example of this is the Vietnam War. This was a war fought not over capitalism vs. Communism in a narrow sense but over the issue of who would be advantaged by development. The regimes in post-colonial Africa, corrupt and unstable but always serving the interests of the developed countries, provide another example. For its part, the Communists encouraged development to win political battles in the competition with the West and to build military power, which it saw as a primary necessity in the competition with the West.

The non-Western and non-Communist nations, a kind of third-party in the struggle between Communism and capitalism, understood that in this contest the only hope they had was to engage in "nation building", to increase and modernize infrastructure in order to withstand the pressure and control of the two major camps. The whole theory of nonalignment was based on this, with development theory and political nonalignment between the two powerful economical political camps as the foundation of this approach. (We should note that although the rest of the world thought China and Russia were allied, in fact we now know that they were not; they were fearful competitors.) "Development theory" developed in the context of this world struggle, and it is important to note that no development theory proved to be really valid or successful.

In the perspective of both Capitalism and Communism, as well as in the perspective of the Non-Aligned powers, justice and happiness were understood to be a consequence of development but not to be the compelling reason for development. Development itself, not happiness or justice, was the goal. Capitalism argued that the individual would be happy if he or she accumulated more goods and wealth. In order for the trade system to work, consumerism had to be encouraged both in the developed and in the underdeveloped worlds. Consumerism was the way in which the capitalist system insured social stability so that production would not be interrupted. Communism argued that future generations would enjoy the advantages created by the present, so that the harsh regime of the present would pay off in future happiness. Both systems accepted the idea that injustice might be a necessary concomitant of their *Weltanschauung*, of their worldview.

The fall of the Berlin Wall in 1989, symbolizing the end of Communism, meant the end of the competition between the two world systems that contradicted each other. The field, the entire world, was now left to one of the world's systems, capitalism, and this radically changed the *Weltanschauung* of development. The Development State, to which we will

turn shortly, the instrument for development in the period before 1989, is now being replaced by a new theory and a new phenomenon.

The new world system, the new economic regime, is globalization. In this new system or regime, development is no longer a primary economic or political objective. There is no need for it, in fact. Today, integration of all economies into one is claimed to be to the advantage of all. Because there is no competition, the global system of capitalism can now function without the need for development as it was understood in the 20th-century. Not the interests of the nation, not the interests of the people, but the interest of the market itself, reified, has become the focus of attention. Moreover, another consideration, which began to appear prominently toward the final quarter of the 20th century, was the rise of the multinational corporation to a commanding position as the primary player in the international economy, replacing national corporations and individuals. Once again, now without development because development lacks any political purpose, the new global system sees happiness and justice as byproducts if they are important at all. Furthermore, in order to remove them as primary concerns or objectives, they have been reduced to individual concerns, so that the question of social justice or happiness in a society has been reduced to the question of the distribution of Justice as a commodity, which is the Liberal position today (see, for example, the American legal theorist Rawls), and happiness has become a matter of individual disposition with all kinds of measurements and therapies to improve individual happiness. We can even take drugs to be happier, so that happiness itself becomes a commodity on the market available to those who can afford it.

Two more issues must command Bhutan's particular attention. First, in all of this, small states have always been disadvantaged. Differences of scale are vital and are in fact differences of kind. None of the ideologies of development in the past have taken into account the fact that small states, small societies, are different. They lack the political power to withstand encroachment. For the most part, they lack resources to develop their own advantages. They lack the human resources to develop their own approach to their own concerns. Capitalism and, later, globalism have argued that small states should simply join the system. The rules of the market economy are universal, it is claimed, and apply to small states and societies just as they do to large ones. The asymmetry of power is not considered a significant factor. For Communism, the same criticism was valid. Communism argued that the analysis it made was valid for all societies, a kind of universal law of history. Gravity operated the same in Bhutan as it did in America or Russia.

Second, to the extent that small states accepted and made policy on the basis of the assumptions sold to them by the universalistic claims of the contending ideologies, they themselves were weakened in their attempt to find their own ways to the future. Now, under globalism, they are even told

that they must surrender sovereignty to the global system, which itself is a playing field of asymmetrical power. Therefore, to the extent that small states buy into both the theoretical and the ideological claims of the specialists from outside, they weaken themselves.

This is the context within which GNH becomes significant. The reason why it has attracted attention is precisely because of the challenge it poses to the theories, ideologies, values, and politics of the powerful. It is, in fact, an experiment.

GNH and Culture

Both Capitalism and Communism legitimated the acquisition of greater wealth, though for different purposes and with different rationalizations. For both camps, however, the objective proved hard to achieve, and when a statistical improvement in the economy of a particular country appeared, new wealth was often so maldistributed within that country that social and political unrest increased rapidly. With time, the optimism of the period immediately after the end of World War II began to confront the incontrovertible fact that there was a growing gap between the developed and the underdeveloped countries, between the "North" and the "South". The terminology may have changed but the fact did not. "Development" became the term applied to the process of overcoming the gap.

For many reasons, pessimism with regard to the possibility of overcoming the gap increased with time, particularly in the 1970s. A factor had to be found both to explain the gap and to suggest the reasons why it existed. Both in Capitalism and Communism, "culture" entered the discourse to explain this gap. "Culture," often equated with "tradition," "traditional culture," was deemed the culprit in the increasingly unequal development. Curiously, the Communists had identified the culprit from the very beginning and had pursued active, often violently aggressive policies to eradicate old cultures and introduce new ones. The Chinese "Cultural Revolution" was just such an aggressive attack on tradition and an attempt to wrench China from the clutches of the old culture and force it into a new one more conducive to development.

In Western thought, the concept that industrialization was a culture in itself, that the introduction of modern means of communication also required the introduction of the culture of modernization, became current. This ran all the way from insisting that modernization required the replacement of the "traditional" extended family with the nuclear family to abandonment of all kinds of "traditional practices" that hindered the emergence of the Western-type of individual entrepreneur. In short, the "underdeveloped" peoples of the world had to undergo social, cultural and psychological modernization if economic progress was to be made. "Science" had to replace "traditional values" and scientific disinterest had to replace the parochial interests of any part of a culture or the culture itself. It

was, by the way, here that the idea of “technical assistance” and “development specialists” came to the fore, i.e., help and individuals that were scientific and disinterested in the question of value conflict.

This is not a trivial question by any means. Bhutan must be well aware of the fact that in its own region, the agents of development have introduced changes that are destructive of whole cultures. In fact, the issue has become sufficiently pressing that international organizations now speak of “cultural genocide,” by which they mean the cultural cost of introducing socioeconomic change that does not factor into its processes the question of the development of culture as well. His Majesty’s insistence that culture must be an instrument for the protection of the nation reflects this reality and calls for a creative response within GNH thinking.

Buddhism and GNH

In light of this discussion so far, an important question that has to be considered is the relationship between Buddhism and GNH. Two factors seem paramount. First, Buddhism may be considered, for the purpose of this discussion, as a set of values that are quite different from those of the culture, Christian, in which development theory and modern political theory developed. For example, in the Christian *Weltanschauung*, the individual is considered to be a totally unique being, possessed of a unique soul, and to be the primary actor in all regards in the drama of his or her own salvation. This quite obviously impacts seriously on development theory and on the role of the individual. The great Western sociological thinker, Max Weber, emphasized the relationship between Christianity and the rise of Capitalism. Buddhism, for its part, refuses to reify the individual or any other entity. Consequently, the *Weltanschauung* of a culture that is Buddhist will be very different from that of one that is not. This, of course, is true for all cultures. However, it must be taken into particular account in Bhutan, where Buddhism and Bhutanese culture are almost isomorphic. To the extent that Bhutan is a Buddhist and not a Christian or Muslim society, its *Weltanschauung*, its social, cultural and political ethos, rooted in Buddhism, must be the foundation of its public policies. Change, in other words, must be based on Buddhism, not on other constructions of the world. This is the particularity and importance of GNH for Bhutan. To the extent that GNH has validity beyond Bhutan, it is because it raises vital questions that have heretofore not been central to political and social discourse.

Second, although we divide life into various domains, such as the personal, the social, the political, the religious, the psychological, etc., in fact life is not lived that way. It is a commonplace to recognize that my psychological condition will have an impact on my social life and that my economic situation will have an impact on my psychological life. In fact, life is a seamless whole. In this context, Buddhism and culture are part of that

seamless whole. If in one part of our lives we engage in activities that are radically different in their quality and in their ethos compared to our activities in other parts of our lives, the whole fabric will change. Consequently, if we value Buddhism and if we value Bhutanese culture, the strategies and tactics we use for economic development must be intricately and intimately part of Buddhist and Bhutanese culture and its Weltanschauung.

This is a crucial challenge. Let us assume that a major directive, the prime directive, of Buddhism is to not harm others. Let us also assume that a prime directive of Buddhism is to create those conditions that allow all sentient beings to move along the path to enlightenment. If that is the case, then GNH must take as its own prime directive the development of those strategies and tactics that, first, do not harm sentient beings in the process of change, and, second, are immediately aimed at decreasing the obstacles, the "Negativities," that impede the search for enlightenment. If one takes this seriously, and if one assumes the seamlessness of life as a whole (itself a Buddhist concept), and if one understands that Buddhism as a value system differs from other value systems, as all value systems differ from each other, then GNH must approach development from a different perspective. Note that this is not a question of individual happiness or of happiness in any immediate sense. The "Happiness" that we are considering as the objective of GNH means the removal of obstacles, the condition in which any negativity is diminished, not the immediate satisfaction of the individual as such.

The "happiness" of Gross National Happiness, in other words, is not to be understood in metaphysical terms. It is a very immediate and practical concept. It is possible to identify those developments and those already existing conditions that impede the realization of the values a society and culture, Bhutanese society and culture, hold high, hold to be important. The challenge of GNH is to design practical policies that achieve this objective. This must involve the redirection of resources to this purpose and, equally important, the development of education that self-consciously has the same purpose. It is indeed true that, for example, consumerism grows partly because of the introduction of TV and other forms of information technology. TV and IT cannot be removed once they are introduced, and any attempt to do so would probably be counterproductive in terms of the values of GNH. However, their presence must be accounted for in the development both of regulations controlling consumption and the development of an educational system that will strengthen or redirect the attention of the next generation away from consumerism and toward the values GNH is promoting.

GNH must be institutionalized in an organization that will provide leadership, research, planning, and evaluation of the operationalization of GNH.

The educational system must take responsibility for the creation of GNH values in succeeding generations.

Mechanisms must be developed for the inclusion of people from all walks of life in the discussion of GNH. This is important for both GNH and for good governance.

The GNH state must develop those areas of expertise that serve the purposes of GNH, including the social sciences and humanities, just as Bhutan has developed a cadre of experts in engineering, education, medicine and commerce.

We are fully aware that objections will be raised concerning the costs of these recommendations, and it cannot be denied that this will be an issue. Nevertheless, we believe that a modest beginning on the project of GNH will attract both worldwide attention and investment.

The proposed GNH Directorate, or its equivalent, must have the responsibility for designing and taking the initial steps. This suggests that the very first step must be the creation of an institutional framework. Redirecting or channeling the energies and activities of existing agencies in such a way that they reflect and exhibit the values of GNH can accomplish a considerable amount. They will become, then, examples for others to follow. This is particularly the case in the field of education. Finally, careful and reflective planning can take place with a relatively small investment in order to lay the groundwork for the operationalization of GNH.

The very idea of GNH was designed and promulgated by His Majesty the King, upon whose continuing strong and enlightened leadership the future of Bhutanese society depends.